

## Message Text

UNCLASSIFIED

PAGE 01 KUALA 00094 070825Z

21

ACTION XMB-04

INFO OCT-01 EA-10 ISO-00 AID-05 CIAE-00 COME-00 EB-07

FRB-01 INR-07 NSAE-00 RSC-01 TRSE-00 OPIC-06 SP-02

CIEP-02 OMB-01 FAA-00 DOTE-00 L-02 /049 W

----- 077135

P 070745Z JAN 75

FM AMEMBASSY KUALA LUMPUR

TO SECSTATE WASHDC PRIORITY 8735

UNCLAS KUALA LUMPUR 0094

E.O. 11652: N/A

TAGS: BR EFIN MY

SUBJECT: MALAYSIAN AIRLINE SYSTEM REQUEST FOR EXIM LOAN FOR  
TWO DC-10 AIRCRAFT

REF: (A) STATE 281797 (B) KUALA LUMPUR 5999

1. MINISTRY OF FINANCE, TREASURY STUDYING ALTERNATE EXIM PROPOSAL  
(PARA 5 REFTEL A) FOR GOM BE DIRECT OBLIGOR FOR SUBJECT CREDIT.

2. TREASURY ASKS CLARIFICATION EXIM TELEX DATED JANUARY 2 TO  
MR. SULAIMAN, DIR. FINANCE, MAS WHICH MAKES SAME PROPOSAL AS  
PARA 5 REFTEL A BUT WITH ADDITIONAL CONDITION THAT CREDIT  
AGREEMENT OF PRIVATE LENDERS BE EXECUTED WITH GOM AGENCY, SUCH  
AS MIN FINANCE, WHICH EMPOWERED OBLIGATE ENTIRE GOVT.

3. TREASURY SAYS THEY NOT WILLING BE DIRECT OBLIGOR FOR  
COMMERCIAL LOAN PORTION FOR FOLLOWING REASONS: (1) GOM  
POLICY IS NOT TO NEGOTIATE AND OBTAIN COMMERCIAL LOANS  
FOR QUASI-GOVT CORPORATIONS  
SUCH AS MAS, AND GOVT DOES NOT WANT SET PRECEDENT BY MAKING  
EXCEPTION THIS INSTANCE (2) MAS ALREADY HAS ESTABLISHED  
CONTACTS IN PRIVATE BANKING SECTOR AND IN POSITION NEGOTIATE  
COMMERCIAL PORTION OF LOAN; AND (3) COMMERCIAL LOAN TO MAS  
WILL BE GUARANTEED BY GOM, WILL BE COMPLETELY SEPARATE FROM  
EXIM LOAN, AND WILL NOT REQUIRE ANY ADDITIONAL GUARANTEES  
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PAGE 02 KUALA 00094 070825Z

TO PRIVATE LENDERS.

4. ACTION REQUESTED: PLEASE ADVISE SOONEST WHETHER EXIM CREDIT CAN BE EXTENDED MIN FINANCE, TREASURY, AS DIRECT OBLIGOR, WITHOUT CONDITION THAT PRIVATE LENDERS AGREEMENT ALSO BE EXECUTED WITH MIN FINANCE.

5. REPLY SHOULD BE MADE TO EMBASSY FOR TRANSMITTAL TO TREASURY WHICH HAS RESPONSIBILITY FOR FINAL DECISIONS ON EXIM LOAN AND ON PRIVATE LOAN PORTION GUARANTEED BY GOVT. UNDERHILL

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** AIRCRAFT, PROCUREMENT, BANK LOANS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 07 JAN 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975KUALA00094  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750005-1073  
**From:** KUALA LUMPUR  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1975/newtext/t19750173/aaaacmgp.tel  
**Line Count:** 71  
**Locator:** TEXT ON-LINE, ON MICROFILM  
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**Original Previous Classification:** n/a  
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**To:** STATE  
**Type:** TE  
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